UNITED STATES SECURITIES AND EXCHANGE COMMISSION

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Washington, D.C. 20549

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FORM 10-Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

A
92-2243

For the quarterly period ended January 31, 1992

OR

__ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-6715

MAR 10 1992

ANALOGIC CORPORATION

(Exact name of registrant as specified in its charter)

Massachusetts	04-2454372
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
8 Centennial Drive, Peabody, Massachusetts	01960
(Address of principal executive offices)	(Zip Code)

(508) 977-3000

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

The number of shares of Common Stock outstanding at January 31, 1992 was 12,595,179

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ANALOGIC CORPORATION AND SUBSIDIARIES

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PART I FINANCIAL INFORMATION
ANALOGIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(000 omitted)

	January 31, 1992	July 31, 1991
ASSETS	(Unaudited)	(Audited)
Current Assets:		
Cash (including time deposits of approx. $7,693 and $22,965)	$ 6,816	$ 23,152
Marketable securities, at cost which approximates market	60,885	59,060
Accounts and notes receivable - net	25,485	26,820
Inventories	35,097	33,659
Prepaid expenses and other current assets	2,652	2,589
Total current assets	130,936	145,260
Property, plant and equipment, net	53,923	40,841
Investments in and advances to affiliated companies	3,250	1,250
Excess of cost over acquired net assets, net of accumulated amortization	1,137	933
Other assets, including unamortized software costs ($1,918 and $1,920)	2,454	2,198
	$191,700	$190,482
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Mortgage and other notes payable	$ 2,349	$ 345
Obligations under capital leases	262	247
Accounts payable, trade	4,639	5,904
Accrued employee compensation and benefits	4,101	5,509
Accrued expenses	2,895	2,749
Accrued income taxes	705	1,779
Total current liabilities	14,951	16,533
Long-Term Debt:		
Mortgage and other notes payable	12,221	8,471
Obligations under capital leases	4,416	4,551
Deferred Income Taxes	1,732	1,767
Minority Interest in Consolidated Subsidiary	2,162	1,844
Stockholders' Equity:		
Common stock, $.05 par	655	704
Capital in excess of par value	14,128	22,994
Retained earnings	147,563	143,210
Less: Treasury stock, at cost	(5,627)	(9,192)
Unearned compensation	(501)	(400)
	156,218	157,316
	$191,700	$190,482

The accompanying notes are an integral part of these financial statements.

ANALOGIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(UNAUDITED)
(000 omitted, except share data)

	Three Months Ended January 31,		Six Months Ended January 31,	
	1992	1991	1992	1991
Revenues:				
Product and service, net	$32,806	$33,853	$63,970	$64,315
Engineering and licensing	775	1,295	1,390	2,904
Other operating revenue	1,765		3,995	
Interest and dividend income	980	1,304	2,190	2,680
Total revenues	36,326	36,452	71,545	69,899
Costs and expenses:				
Cost of sales:				
Product & service	20,356	19,143	39,120	36,364
Engineering & licensing	666	951	1,263	2,324
Other operating expenses	1,267		2,586	
General and administrative	3,761	2,869	7,194	5,588
Selling	3,150	3,357	6,078	6,330
Research and product development	5,370	5,177	10,593	9,822
Interest expense	350	209	709	431
Other expense		100		200
Amortization of excess of cost over acquired net assets	42	35	76	69
Total cost of sales and expenses	34,962	31,841	67,619	61,128
Income from operations	1,364	4,611	3,926	8,771
Equity in net income (loss) of unconsolidated affiliates	1,650	(250)	1,991	(500)
Income before income taxes	3,014	4,361	5,917	8,271
Provision for income taxes	702	1,118	1,192	2,132
Minority interest in net income of consolidated subsidiary	295	171	372	333
Net income	$ 2,017	$ 3,072	$ 4,353	$ 5,806
Average common and common equivalent shares outstanding	12,725,209	13,297,804	12,894,450	13,590,153
Earnings per common and common equivalent share	$0.16	$0.23	$0.34	$0.43
Dividends per share	NONE	NONE	NONE	NONE

The accompanying notes are an integral part of these financial statements.

ANALOGIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(000 omitted)

	Six Months Ended January 31,	
	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$4,353	$5,806
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation & amortization	4,087	3,868
Amortization of capitalized software	402	212
Amortization of excess of cost over net acquired assets	76	
Minority interest in net income of consolidated subsidiary	318	333
Increase in excess of cost over acquired net assets	(280)	69
Compensation from stock grants	91	184
Changes in operating assets & liabilities		
Decrease (Increase) in assets:		
Accounts and notes receivable	1,334	(1,469)
Inventories	(1,438)	(1,392)
Prepaid expenses and other current assets	(403)	31
Other assets	(258)	(404)
Increase (Decrease) in liabilities:		
Accounts payable, trade	(1,265)	(55)
Accrued expenses and other current liabilities	(1,282)	(119)
Accrued and deferred income taxes	(789)	(1,447)
TOTAL ADJUSTMENTS	813	(389)
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,966	5,417
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investments in and advances to affiliated companies, net of cash acquired	(2,000)	
Additions to property, plant and equipment	(16,736)	(3,426)
Capitalized software	(400)	(200)
Proceeds on maturities (purchases) of marketable securities	(1,825)	2,739
Net assets acquired in business combination	(413)	
NET CASH USED BY INVESTING ACTIVITIES	(21,374)	(887)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in debt	8,000	2,250
Payments on debt and capital lease obligations	(366)	(187)
Purchase of common stock for treasury	(5,750)	(8,560)
Issuance of common stock pursuant to stock options and employee stock purchase plan	208	34
NET CASH USED BY FINANCING ACTIVITIES	92	(6,463)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(16,316)	(1,933)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	23,132	10,004
CASH AND CASH EQUIVALENTS, END OF PERIOD	$6,816	$8,071

The accompanying notes are an integral part of these financial statements.

ANALOGIC CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

1. In the opinion of management, the accompanying unaudited consolidated condensed financial statements contain all adjustments (consisting solely of normal recurring adjustments) necessary to fairly present Analogic Corporation's financial position as of January 31, 1992 and July 31, 1991, the results of its operations for the three and six months ended January 31, 1992 and 1991 and statements of cash flows for the six months then ended. The results of the operations for the three and six months ended January 31, 1992 are not necessarily indicative of the results to be expected for the fiscal year ending July 31, 1992.

   The accounting policies followed by the Company are set forth in Note 1 to the Company's financial statements in its Annual Report on Form 10-K for the fiscal year ended July 31, 1991.

2. The consolidated financial statements include the accounts of the Company, all wholly owned subsidiaries, and Camtronics Ltd. The ownership in Camtronics Ltd. increased from approximately 65% to approximately 66% as a result of minority shareholders exercising their conversion rights to sell 5% of their shares in the amount of $332,000 to Camtronics. Investments in companies in which ownership interests range from 20 to 50 percent and the Company exercises significant influence over operating and financial policies are accounted for using the equity method. Other investments are accounted for using the cost method.

3. Financial statements, with the exception of the July 31, 1991 balance sheet, are unaudited and have not been examined by independent certified public accountants.

4. The inventories as of January 31, 1992 were not based on a physical or perpetual inventory but were calculated on the basis of an estimated percentage of material used during the period. The components of inventory are estimated as follows:

	January 31, 1992	July 31, 1991
Raw materials	$13,851,000	$13,259,000
Work-in-process	15,750,000	14,969,000
Finished goods	5,496,000	5,431,000
	$35,097,000	$33,659,000

5. On August 8, 1991, Anadventure II Corporation ("Anadventure II"), a wholly-owned subsidiary, purchased for the sum of $16,000,000 from a wholly-owned subsidiary of the Federal Deposit Insurance Corporation (FDIC), the entire interest in a Marriott hotel complex. Of the purchase price, $10,000,000 was paid in cash and the balance was paid by a $6,000,000 promissory note co-made by Anadventure II and the Company. Under the terms of the note, annual principal payments of $2,000,000 commencing August 8, 1992 are due until August 8, 1994. Interest is at prime with an interest free period from August 8, 1991 through August 7, 1992. The discounted present value of the $6,000,000 promissory note is approximately $5,500,000. This transaction was accounted for as a purchase and the results of the hotel's operations are consolidated for the three and six month period ending January 31, 1992.

6. Interest paid, net of amount capitalized, amounted to $698,000 and $398,000 during the six months ended January 31, 1992 and 1991, respectively. Interest expense for the six months ended January 31, 1992 amounted to $709,000.

7. Income taxes paid during the six months ended January 31, 1992 and 1991 amounted to $2,289,000 and $3,510,000, respectively.

ANALOGIC CORPORATION AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FINANCIAL CONDITION

The Company's balance sheet at January 31, 1992 and July 31, 1991 reflects a current ratio of 8.8 to 1. Cash, time deposits and marketable securities, along with accounts and notes receivable, constitute approximately 71% of current assets at January 31, 1992. Liquidity is sustained principally through funds provided from operations, with short-term time deposits and marketable securities available to provide additional sources of cash. The Company places its cash investments in high credit quality financial instruments and, by policy, limits the amount of credit exposure to any one financial institution. Management does not anticipate any difficulties in financing operations at anticipated levels. The Company's debt to equity ratio was 0.23 to 1 at January 31, 1992 and 0.21 to 1 at July 31, 1991.

Capital expenditures totaled approximately $16,736,000 during the six months ended January 31, 1992.

As part of a stock repurchase program authorized by the Board of Directors, the Company purchased 517,400 shares of common stock for its treasury during the first six months of fiscal 1992 at an aggregate cost of $5,750,000.

During the first quarter of fiscal 1992, 1,020,352 shares of treasury stock were constructively retired at cost.

RESULTS OF OPERATIONS
Six Months Fiscal 1992 (01/31/92) vs. Six Months Fiscal 1991 (01/31/91)

Product, service, engineering and licensing revenues for the six months ended January 31, 1992 were $65,360,000 as compared to $67,219,000 for the same period last year. The decrease of $1,859,000 was principally due to a decrease in sales of Industrial Technology Products of $4,031,000 and Signal Processing Technology Products of $4,193,000 offset by increased sales of Medical Technology Products of $6,365,000. Other operating revenue of $3,995,000 represents revenue from the hotel operation for the six months ending January 31, 1992.

The decrease in interest and dividend income was caused by a reduction in the amount of resources available for investment purposes and lower interest rates.

Cost of sales as a percent of product, service, engineering and licensing revenues for the six months of fiscal 1992 and fiscal 1991 were 62% and 58%, respectively. The increase was due primarily to higher direct material costs. Operating costs associated with the hotel during the six months of fiscal 1992 were $2,586,000.

RESULTS OF OPERATIONS
Six Months Fiscal 1992 (01/31/92) vs. Six Months Fiscal 1991 (01/31/91)
(continued)

General and administrative expenses increased by $1,606,000 primarily due to such costs within the hotel operation and payroll related expenses. Research and product development expenses increased $771,000 due to the addition of staff supporting new product development programs within the Medical Technology Products sector. Selling expenses decreased $252,000 primarily due to a reduction in commission expense due to lower product sales volume, a cost reduction program implemented in the foreign sales subsidiaries offset by costs within the hotel operation.

Interest expense increased $278,000 primarily due to the debt incurred in connection with the purchase of the hotel.

Computer software costs of $400,000 and $200,000 were capitalized in the first six months of fiscal 1992 and 1991, respectively. Amortization of capitalized software amounted to $402,000 and $212,000 in the first six months of fiscal 1992 and 1991, respectively.

Other expense represents a reduction of $200,000 in the first six months of fiscal 1991 for estimated impairment in the value of one of the Company's investments.

During the six months ended January 31, 1992, the carrying value of the investment in Analogic Scientific has been increased $2,000,000 to reflect the recognition of a portion of the Company's share of Analogic Scientific's income.

The first six months of fiscal 1991 included a charge of $500,000 resulting from the Company's equity in losses in connection with the Company's investment in a partnership.

Minority interest in the net income of the Company's consolidated subsidiary, Camtronics, for the six months ended January 31, 1992 and 1991 amounted to $372,000 and $333,000, respectively.

The effective tax rate for the first six months of fiscal 1992 was 20% vs. 26% for the first six months of fiscal 1991. The reduction is primarily due to the increase in tax exempt interest from investments as a percentage of taxable income and non taxable income from a foreign investment.

In February, 1992, the Financial Accounting Standards Board (FASB) issued Statement No. 109 which will require the Company to change its accounting for income taxes by 1994. The adoption of Statement No. 109 will be reported as a change in accounting principle. If adopted for the first six months of fiscal 1992, there would not have been a material impact on the financial statements.

RESULTS OF OPERATIONS
Six Months Fiscal 1992 (01/31/92) vs. Six Months Fiscal 1991 (01/31/91)
(continued)

General and administrative expenses increased by $1,[illegible]6,000 primarily due to such costs within the hotel operation and payroll related expenses. Research and product development expenses increased $771,000 due to the addition of staff supporting new product development programs within the Medical Technology Products sector. Selling expenses decreased $252,000 primarily due to a reduction in commission expense due to lower product sales volume, a cost reduction program implemented in the foreign sales subsidiaries offset by costs within the hotel operation.

Interest expense increased $278,000 primarily due to the debt incurred in connection with the purchase of the hotel.

Computer software costs of $400,000 and $200,000 were capitalized in the first six months of fiscal 1992 and 1991, respectively. Amortization of capitalized software amounted to $402,000 and $212,000 in the first six months of fiscal 1992 and 1991, respectively.

Other expense represents a reduction of $200,000 in the first six months of fiscal 1991 for estimated impairment in the value of one of the Company's investments.

During the six months ended January 31, 1992, the carrying value of the investment in Analogic Scientific has been increased $2,000,000 to reflect the recognition of a portion of the Company's share of Analogic Scientific's income.

The first six months of fiscal 1991 included a charge of $500,000 resulting from the Company's equity in losses in connection with the Company's investment in a partnership.

Minority interest in the net income of the Company's consolidated subsidiary, Castronics, for the six months ended January 31, 1992 and 1991 amounted to $372,000 and $333,000, respectively.

The effective tax rate for the first six months of fiscal 1992 was 20% vs. 26% for the first six months of fiscal 1991. The reduction is primarily due to the increase in tax exempt interest from investments as a percentage of taxable income and non taxable income from a foreign investment.

In February, 1992, the Financial Accounting Standards Board (FASB) issued Statement No. 109 which will require the Company to change its accounting for income taxes by 1994. The adoption of Statement No. 109 will be reported as a change in accounting principle. If adopted for the first six months of fiscal 1992, there would not have been a material impact on the financial statements.

ANALOGIC CORPORATION AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS
Second Quarter Fiscal 1992 (01/31/92) vs. Second Quarter Fiscal 1991 (01/31/91)

Product, service, engineering and licensing revenues for the three months ended January 31, 1992 and 1991 were $33,581,000 and $35,148,000, respectively. The decrease of $1,567,000 was principally due to a decrease in sales of Industrial Technology Products of $2,778,000 and Signal Processing Technology Products of $2,886,000 offset by increased sales of Medical Technology Products of $4,097,000.

The decrease in interest and dividend income was caused by a reduction in the amount of resources available for investment purposes and lower interest rates.

Cost of sales as a percent of product, service, engineering and licensing revenues for the second quarter of fiscal 1992 was 63% as compared to 57% for the same period last year. The increase was primarily due to higher direct material cost. Operating costs associated with the hotel during the second quarter of fiscal 1992 were $1,267,000.

General and administrative expenses increased by $892,000 primarily due to such costs within the hotel operation and payroll related expenditures. Selling expenses decreased by $207,000 primarily due to a cost reduction program implemented in the foreign sales subsidiaries. Engineering and product development expenses increased by $193,000 primarily due to additional staff supporting new product development programs within the Medical Product Technology sector.

Interest expense increased $141,000 primarily due to the debt incurred in connection with the purchase of the hotel.

During the quarter ended January 31, 1992, the carrying value of the investment in Analogic Scientific has been increased $1,650,000 to reflect the recognition of a portion of the Company's share of Analogic Scientific's income.

Computer software costs of $200,000 and $100,000 were capitalized in the second quarter of fiscal 1992 and 1991, respectively. Amortization of capitalized software amounted to $201,000 and $106,000 in the second quarter of fiscal 1992 and 1991, respectively.

Other expense represents a reduction of $100,000 in the second quarter of fiscal 1991 for estimated impairment in the value of one of the Company's investments.

The second quarter of fiscal 1991 included a charge of $250,000 resulting from the Company's equity in losses in connection with the Company's investment in a partnership.

RESULTS OF OPERATIONS
Second Quarter Fiscal 1992 (01/31/92) vs. Second Quarter Fiscal 1991 (01/31/91) (continued)

Minority interest in the net income of the Company's consolidated subsidiary, Camtronics, was $295,000 and $171,000 for the quarters ended January 31, 1992 and 1991, respectively.

The effective tax rate for the second quarter of fiscal 1992 was 23% vs. 26% for the second quarter of fiscal 1991. The reduction is primarily due to the increase in tax exempt interest from investments as a percentage of taxable income and non taxable income from a foreign investment.

In February, 1992, the Financial Accounting Standards Board (FASB) issued Statement No. 109 which will require the Company to change its accounting for income taxes by 1994. The adoption of Statement No. 109 will be reported as a change in accounting principle. If adopted for the second quarter of fiscal 1992, there would not have been a material impact on the financial statements.

PART II - OTHER INFORMATION

Item 6 - Exhibits and Reports on Form 8-K

(a) Exhibits
Exhibit No. 11 - Calculation of earnings per share.

(b) During the quarter ended January 31, 1992, the Company did not file any reports on Form 8-K.

ANALOGIC CORPORATION AND SUBSIDIARIES

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ANALOGIC CORPORATION

Registrant

Date March 6, 1992

Bernard M. Gordon
President

Date March 6, 1992

John A. Tarello
Senior Vice President
(Chief Accounting Officer)

ANALOGIC CORPORATION AND SUBSIDIARIES

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ANALOGIC CORPORATION AND SUBSIDIARIES
CALCULATION OF EARNINGS PER SHARE

Net earnings per share are computed using the average number of shares actually outstanding plus the incremental shares computed on the assumption that certain lower priced stock options had been exercised with the proceeds utilized to purchase treasury stock.

	Three Months Ended January 31,		Six Months Ended January 31,	
	1992	1991	1992	1991
PRIMARY:				
Net Income	$2,017,000	$3,072,000	$4,353,000	$5,806,000
Average shares outstanding	12,581,127	13,225,577	12,742,597	13,507,379
Add: Incremental shares to reflect dilutive stock options deemed common stock equivalents. (Computed by treasury stock method.)	144,082	72,227	151,853	82,774
Common and common equivalent shares outstanding	12,725,209	13,297,804	12,894,450	13,590,153
Earnings per share	$.16	$.23	$.34	$.43
ASSUMING FULL DILUTION:				
Net Income	$2,017,000	$3,072,000	$4,353,000	$5,806,000
Average shares outstanding	12,581,127	13,225,577	12,742,597	13,507,379
Add: Incremental shares due to the effect of common stock equivalents - this assumes that proceeds from shares sold under dilutive stock options (using quarter end market price to determine proceeds where such price was in excess of average quarterly prices) were used to purchase treasury stock.	174,686	112,614	167,123	102,919
Average common shares outstanding	12,755,813	13,338,191	12,909,720	13,610,298
Earnings per share	$.16	$.23	$.34	$.43